## Commonwealth of Virginia Department of Accounts Small Purchase Charge Card

2006 Program Administrator Training

WELCOME TO THE COMMONWEALTH OF VIRGINIA, DEPARTMENT OF ACCOUNTS' *SMALL PURCHASE CHARGE CARD* PROGRAM ADMINISTRATOR TRAINING.

#### **TRAINING**

- Mandatory for all Program Administrators
- Can be used as a refresher
- Can be taken by Fiscal staff and others
- Keep a notepad and pen handy!

THIS PRESENTATION IS MANDATORY FOR ALL PERSONNEL WITH PROGRAM ADMINISTRATION RESPONSIBILITIES AND MUST BE REVIEWED ANNUALLY. YOU WILL BE PROVIDED WITH TWO CERTIFICATE CODES DURING THE PRESENTATION WHICH YOU MUST EMAIL TO US IN ORDER TO DOCUMENT YOUR ATTENDANCE AND RECEIVE CREDIT FOR THE TRAINING. YOU WILL RECEIVE A CONFIRMATION EMAIL TO KEEP ON FILE AS PROOF OF YOUR TRAINING.

IT IS IMPORTANT TO PERIODICALLY REVIEW THE PROGRAM ADMINISTRATOR'S TRAINING TO KEEP ABREAST OF CURRENT POLICIES AND PROCEDURES.

THIS TRAINING IS AVAILABLE TO EVERYONE. PA'S MAY RECOMMEND REVIEW TO FISCAL STAFF AND/OR CARDHOLDERS. PLEASE NOTE THAT THIS PRESENTATION IS *NOT* INTENDED TO REPLACE CARDHOLDER OR SUPERVISOR TRAINING.

THIS IS NOT AN INTERACTIVE PRESENTATION, THEREFORE, PLEASE KEEP A NOTEPAD HANDY TO JOT DOWN ANY QUESTIONS OR COMMENTS YOU HAVE.

#### TRAINING AGENDA

- Program Purpose
- Program Overview
- Program Administrator Role and Responsibilities
- Policies and Procedures
- Gold Card Program
- Managing Your Program
  - ❖GE MasterCard and You
  - Cardholder Benefits
- Helpful Tips
- Review

THE AGENDA FOR TODAY'S TRAINING IS A FULL ONE! WE HAVE A LOT OF NEW POLICIES AS WELL AS ITEMS WE NEED TO REINFORCE IN ORDER FOR THE SMALL PURCHASE CHARGE CARD PROGRAM TO BE A SUCCESSFUL ONE.

WE WILL BEGIN TODAY WITH A BRIEF DISCUSSION ON THE PURPOSE OF THE SMALL PURCHASE CHARGE CARD PROGRAM FOLLOWED BY A PROGRAM OVERVIEW TO DATE.

NEXT WE WILL REVIEW THE ROLES AND RESPONSIBILITIES OF THE PROGRAM ADMINISTRATOR, REVIEW SPCC & GOLD CARD POLICIES AND PROCEDURES AND REVIEW TOOLS YOU HAVE ACCESSIBLE TO YOU TO ASSIST YOU IN MANAGING YOUR PROGRAM.

WE WILL THEN PROVIDE SOME HELPFUL HINTS FOR YOU TO KEEP HANDY IN YOUR DAY-TO-DAY LIFE AND FINALLY WE WILL REVIEW WHAT WE HAVE DISCUSSED TODAY.

REMEMBER TO WRITE DOWN ANY QUESTIONS YOU HAVE AND EMAIL DOA FOR ANSWERS!



WHAT IS THE PURPOSE OF THE SPCC PROGRAM?

### **Purpose**

- Offers the opportunity to streamline procedures for procuring and paying for goods and services.
- Reduces the volume of accounts payable transactions.
- Enables E-Commerce. (eVA)
- Provides Management Reports.

PURCHASE CHARGE CARDS OFFER THE OPPORTUNITY TO STREAMLINE PROCEDURES FOR PROCURING AND PAYING FOR SMALL DOLLAR GOODS AND SERVICES. THE PURCHASING CARD PROGRAM REDUCES THE VOLUME OF ACCOUNTS PAYABLE TRANSACTIONS AND THE ASSOCIATED COSTS BY ELIMINATING VENDOR INVOICES AND CONSOLIDATING MULTIPLE VENDOR PAYMENTS INTO ONE MONTHLY PAYMENT.

WITH THE ADVENT OF E-COMMERCE, THE PURCHASING CARD HAS BECOME THE PREFERRED METHOD OF PAYMENT FOR MANY PURCHASES. WEB-BASED PURCHASES, PARTICULARLY THROUGH eVA ARE ENCOURAGED AND WILL CONTINUE TO GROW IN USE AS SUPPLIERS ARE ADDED.

THE END RESULT OF USING THE PURCHASE CARD AS A TOOL FOR PROCUREMENT AND PAYMENT IS THE ELIMINATION OF MULTIPLE STEPS AND A SMOOTHER TRANSACTION FLOW.

IN ADDITION, THE PURCHASING CARD CONTRACTOR PROVIDES A VARIETY OF MANAGEMENT INFORMATION REPORTS TO ASSIST AGENCIES IN MAINTAINING CONTROL OVER PURCHASES AND PAYMENTS.



LET ME SHARE SOME HISTORICAL FACTS ABOUT THE SMALL PURCHASE CHARGE CARD PROGRAM SINCE IT'S INCEPTION ELEVEN YEARS AGO.

- Eight years ago the program had 2,500 cards and averaged six million in transactions.
- We now have over 12,000 cards and are gover eighteen million dollars a month.

THE SPCC PROGRAM HAS GROWN SIGNIFICANTLY SINCE 1996 WHEN THERE WERE ONLY 2,500 CARDS AND JUST OVER \$6 MILLION IN TRANSACTIONS FOR A FISCAL YEAR.

OUR AVERAGE TRANSACTIONS NOW ARE OVER \$18 MILLION A MONTH. WOW! THIS ENOMEROUS GROWTH IS DUE LARGELY TO YOUR EFFORTS TO USE THE PURCHASING CARDS AND DGS'S EFFORTS TO INCORPORATE THE PURCHASING CARDS IN THE EVA PROCUREMENT SYSTEM.

- The Purchasing Card is a Payment Mechanism
- Agencies Assume Ultimate Liability
- Use the Purchasing Card Wherever Possible -
  - Underutilization Is Reported Each Quarter
- Maintain Sufficient Documentation for
  - Reconciling monthly chargesEstablishing limits
  - Perform annual cardholder's review
  - Pay Bills per the policy no later than the 8<sup>th</sup> of every month
- Use the Online Program Management Tools

THE PURCHASING CARD IS MORE THAN JUST ANOTHER WAY TO PAY AN INVOICE. IT IS THE PREFERRED METHOD. AGENCIES ASSUME ULTIMATE LIABILITY FOR EMPLOYEE'S USE OF THE CARD. PURCHASING CARDS MUST BE USED FOR OFFICIAL COMMONWEALTH OF VIRGINIA PURCHASES ONLY AND COMPLY WITH STATE PROCUREMENT REGULATIONS.

IF YOU COULD HAVE USED THE CARD AND DIDN'T, YOU RISK BEING CITED FOR UNDERUTILIZATION IN THE COMPTROLLER'S QUARTERLY REPORT ON STATEWIDE FINANCIAL MANAGEMENT AND COMPLIANCE.

INTERNAL CONTROL IS ESSENTIAL. WITH THE PURCHASING CARD, THIS IS ACHIEVED THROUGH SUPERVISORY REVIEW OF PURCHASING LOGS AND ANNUAL REVIEW OF CARD ACTIVITY IN ORDER TO ESTABLISH REALISTIC LIMITS. SUPERVISORS MUST DOCUMENT THE ANNUAL REVIEW ANALYSIS IN WRITING FOR PROGRAM ADMINISTRATORS. THIS DOCUMENTATION IS KEPT AT THE AGENCY FOR AUDIT PURPOSES AND A COMPLETED CERTIFICATION FORM IS FAXED TO DOA.

UNLESS OTHERWISE INSTRUCTED BY DOA, PAYMENTS MSUT BE DISTRIBUTED DUE NO LATER THAN THE 8<sup>TH</sup> OF EACH MONTH. PA'S SHOULD ENROLL IN AND MAKE USE OF THE ONLINE PROGRAM MANAGEMENT FEATURE FOR EASIER AND MORE EFFICIENT CARD ADMININISTRATION.

- APA takes an Interest
  - The Small Purchase Charge Card program has been effective in reducing paperwork and streamlining the purchases of low-dollar goods and services.
  - The Commonwealth has recognized cost savings from the program.
  - Increased communications with agencies

APA AND DOA AUDITORS HAVE SPENT A CONSIDERABLE AMOUNT OF TIME EXAMINING THE SPCC PROGRAM. WHILE THEY PRAISE THE PROGRAM AS A WHOLE, THE EVER-INCREASING VOLUME HAS RESULTED IN A NUMBER OF CONCERNS WHICH NEED TO BE ADDRESSED.

THE COMMONWEALTH HAS RECOGNIZED COST SAVINGS WITH THE PROGRAM AND WILL CONTINUE TO GROW THE PROGRAM TO MAXIMIZE THE EFFECTIVENESS OF THE PROGRAM.

AS A RESULT, THE CHARGE CARD ADMINISTRATION TEAM HAS BEEN MORE DILIGENT AND VOCAL IN OUR COMMUNICATIONS (CALLS AND E-MAILS) SO AS ITEMS ARISE AND CHANGES ARE IMPLEMENTED YOU ARE IMMEDIATELY NOTIFIED.

YOU MAY SEE THE EMAILS AS MORE WORK BUT WE ARE TRYING TO KEEP UP STAFF AWARENESS OF PROGRAM CHANGES AND ISSUES.

- APA Findings
  - Program Administrators and cardholders lacked training.
  - DOA did not track non-compliance issues.
  - Supervisors were not properly trained.

THE APA FOUND THAT AGENCY PERSONNEL (FISCAL AND PURCHASING) WERE NOT ALWAYS AWARE OF THE PROGRAMS POLICIES, PROCEDURES AND RESTRICTIONS.

THEY RECOMMENDED THAT DOA DEVELOP A TRACKING MODULE TO MONITOR AGENCY NON-COMPLIANCE ISSUES, SUCH AS: LATE PAYMENTS, SHORT OR OVER PAYMENTS, INCORRECT CORPORATE ACCOUNT NUMBERS AND INCORRECT VENDOR ID'S.

THE APA RECOMMENDED SUPERVISOR/REVIEWER TRAINING FOR STAFF WHO REVIEW AND SIGN OFF ON THE RECONCILIATION. SUPERVISORY/REVIEWER TRAINING IS AVAILABLE TO EDUCATE STAFF ON THEIR ROLES AND RESPONSIBILITIES. THIS WILL BE AN ANNUAL REQUIREMENT FOR THESE STAFF AND EACH AGENCY WILL HAVE TO REPORT TO DOA WHEN ALL THE SUPERVISORS/REVIEWERS HAVE COMPLETED THE TRAINING.

- DOA Takes Action...
  - CAPP Manual Updated 12/2004 and in 1/2006
  - Periodic Training Programs
  - Yearly Updates
  - Exception Reporting
  - Enhancements

DOA HAS RECENTLY ISSUED A NEW UPDATE TO THE CAPP MANUAL. CAPP TOPIC # 20355 WAS RELEASED IN DECEMBER 2004 AND WILL HAVE AN UPDATE IN JANUARY 2006. PURCHASING CHARGE CARD POLICIES AND PROCEDURES HAVE BEEN REFINED AND REVISED TO ACCOMMODATE A MORE MATURE PROGRAM.

DOA AND GE MASTERCARD OFFER A VARIETY OF TRAINING PROGRAMS FOR ADMINISTRATORS, CARD HOLDERS AND FISCAL STAFF, ESPECIALLY IN REGARDS TO E-COMMERCE INITIATIVES.

DOA IS AVALIABLE TO AGENCIES WHO NEED ASSISTANCE IN STRENGTHENING THEIR SPCC PROGRAMS. JUST EMAIL US AND WE WILL BE HAPPY TO ASSIST YOU.

DOA REQUIRES AN ANNUAL UPDATE OF PROGRAM ADMINISTRATORS AND FISCAL CONTACTS TO ENSURE ALL PARTIES HAVE CURRENT INFORMATION.

MORE EXTENSIVE REPORTING AND ANALYSIS WILL BE INCORPORATED TO ADDRESS ISSUES OR POTENTIAL ISSUES IN A TIMELY MANNER.

ANY PROGRAM ENHANCEMENTS WILL BE COMMUNICATED TO AGENCIES IN A TIMELY MANNER VIA EMAIL OR LETTERS. THIS MAY INCREASE YOUR AMOUNT OF EMAILS FROM US BUT IT IS OUR GOAL TO COMMUNICATE EFFECTIVELY WITH ALL AGENCIES SO THEY CAN MAXIMIZE THEIR PROGRAMS UTILIZATION.

- CAPP Topic 20355
  - Purchasing Charge Card has been revised
    - Review it thoroughly
    - Share it with Fiscal Officers, Accounts Payable Staff, and Cardholders
    - Bookmark the page for quick reference
- Charge Card Administration Web Page

REMEMBER, YOU SHOULD BE READING THE CAPP MANUAL! NORMALLY, THE COMMONWEALTH ACCOUNTING POLICIES AND PROCEDURES ARE TARGETED AT FISCAL STAFF, BUT TOPIC 20355 IS TARGETED AT BOTH THE PROGRAM ADMINISTRATORS AS WELL AS THE FISCAL STAFF.

SOME OF OUR PA'S PERFORM DUTIES IN BOTH AREAS (FISCAL AND PROCUREMENT). WHETHER YOU ARE FULL-TIME PROCUREMENT, FULL-TIME FISCAL OR WEAR BOTH HATS, CAPP TOPIC 20355 HAS IMPORTANT INFORMATION FOR YOU!

YOU SHOULD BOOKMARK THE TOPIC IN YOUR FAVORITES SO THAT YOU CAN REFERENCE THE TOPIC QUICKLY.

YOU SHOULD ALSO BOOKMARK THE CHARGE CARD ADMINISTRATION WEB PAGE WHICH CONTAINS FORMS, TRAINING AND VENDOR INFORMATION AT YOUR FINGERTIPS.



LET'S TALK ABOUT THE PROGRAM ADMINISTRATOR AND THEIR ROLES AND RESPONSIBILITIES.

- Designated by the Agency Head or designee
- Must use the Program Administrator form
- Each Agency should designate a Backup PA
- Program Administrator is the only person authorized to make changes for the Agency

THE AGENCY PROGRAM ADMINISTRATOR IS DESIGNATED BY THE AGENCY HEAD OR SIMILAR AUTHORIZING OFFICER USING A PROGRAM ADMINISTRATION FORM OBTAINED FROM THE DEPARTMENT OF ACCOUNTS.

THE AGENCY PROGRAM ADMINISTRATOR - (PA) IS REGISTERED WITH THE CREDIT CARD COMPANY (CURRENTLY GE MASTERCARD) AND THE DEPARTMENT OF ACCOUNTS AS THE ONLY PERSON AUTHORIZED TO MAKE CHANGES (ADD, CANCEL, CHANGE LIMITS, ETC.) FOR THE AGENCY SPCC PROGRAM. IT IS STRONGLY ENCOURAGED FOR EACH AGENCY TO DESIGNATE A BACK-UP PROGRAM ADMINISTRATOR BY USING THE PROGRAM ADMINISTRATOR FORM. THIS WILL LET DOA AND GE MASTERCARD KNOW WHO THEY CAN CONTACT OR SPEAK TO IN CASE YOU ARE NOT AVALIABLE.

- · Review card applications for validity
- Apply for cards using a Turbo File
- Acquire a completed Employee Agreement form signed by the cardholder and supervisor
- Distribute to the employee a copy of CAPP Topic 20355, Purchase Charge Card

LET'S BEGIN BY REVIEWING YOUR ADMINISTRATIVE DUTIES AS YOUR AGENCY'S PROGRAM ADMINISTRATOR.

WE WILL TOUCH ON THESE ITEMS BRIEFLY BUT YOU SHOULD REVIEW CAPP TOPIC 20355 IN DEPTH FOR MORE DETAILED INFORMATION ON YOUR DUTIES AND RESPONSIBILITIES.

THE FIRST RESPONSIBILITY IS TO VERIFY THE VALIDITY OF A NEW CARD REQUEST. YOU NEED TO MAKE SURE THAT THE INDIVIDUAL'S SUPERVISOR HAS COMPLETED THE REQUEST FORM. AN ANALYSIS OF THE PERSON'S PURCHASING NEEDS SHOULD BE NOTED FOR YOU TO VERIFY.

APPLYING FOR CARDS USING YOUR AGENCY TURBO FILE SPEEDS UP THE PROCESS OF GETTING A NEW CARD. NORMALLY, IT TAKES 7-10 DAYS TO PROCESS THE FILE AND FOR THE CARD TO BE RECEIVED.

IT IS ALSO YOUR RESPONSIBILITY TO ENSURE EVERY CARDHOLDER HAS SIGNED AN EMPLOYEE AGREEMENT ALONG WITH THEIR SUPERVISOR. EACH CARDHOLDER SHOULD SIGN THE AGREEMENT ANNUALLY TO ENFORCE THE ITEMS THEY ARE AGREEING TO BY HOLDING A CARD.

ALSO, PROVIDE THE CARDHOLDER WITH A COPY OF CAPP TOPIC 20355 AND ENSURE THEY HAVE COMPLETED THE CARDHOLDER TRAINING PRIOR TO THEM USING THE CARD.

- Monitoring
  - Inactive Cards
    - Accounts that have not had any activity in 12 months
  - Inappropriate purchases
    - Using the card for personal expenses

AS PROGRAM ADMINISTRATOR, A MAJOR PART OF YOUR RESPONSIBILITY IS TO MONITOR YOUR AGENCY'S ACCOUNTS FOR COMPLIANCE WITH ESTABLISHED POLICIES AND PROCEDURES.

INACTIVITY OF A CARD FOR THE PRIOR YEAR (12 months) IS AN INDICATOR THAT THE INDIVIDUAL MAY NO LONGER NEED THEIR CARD. IF THIS IS THE CASE, THE CARD MUST BE CANCELLED.

INAPPROPRIATE USES CAN BE EASILY MONITORED BY SCANNING YOUR CARDHOLDERS' TRANSACTIONS. YOU WILL BE AMAZED AT HOW SIMPLE IT IS TO PICK OUT SOME TRANSACTIONS THAT MAY BE QUESTIONABLE. YOU SHOULD INQUIRE ABOUT THEM WITH THE CARDHOLDER AND IF THEY ARE FOUND TO BE INAPPROPRIATE, THE CARDHOLDER SHOULD BE WARNED AND THEIR SUPERVISOR NOTIFIED. REMEMBER, IT IS YOUR RESPONSIBILITY TO CANCEL A CARD WHEN YOU FEEL A CARDHOLDER IS ABUSING THE CARD PRIVILEGES.

GE MASTERCARD OFFERS A VARIETY OF REPORTS WHICH WILL ASSIST YOU IN MONITORING YOUR ACCOUNTS. WE WILL DISCUSS THEM SHORTLY.

- Training
  - Program Administrators
    - You are required to take the Program Administrator training each year and receive a confirmation back from DOA for your files.
  - Supervisor/Reviewers
    - You are required to ensure that all Supervisors/Reviewers of cardholders have taken the online training DOA provides.
  - Cardholders
    - You are required to ensure that all your cardholders have been adequately trained on the Program using the Cardholder training on the web page

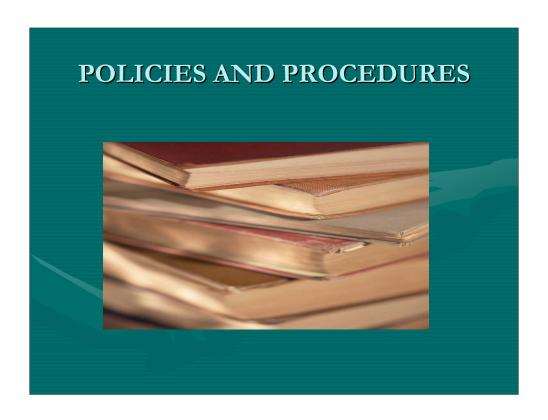
TRAINING IS A CRUCIAL PART OF YOUR RESPONSIBILITIES AND WE ARE COMMITTED TO GIVING YOU AMPLE TRAINING AS THE PROGRAM ADMINISTRATOR. YOU ARE REQUIRED TO TAKE THIS TRAINING ANNUALLY AND TO FOLLOW THE PROCEDURES IN THE PRESENTATION TO RECEIVE CREDIT FOR TAKING THE TRAINING. A CONFIRMATION WILL BE SENT BACK TO YOU FOR YOUR FILES AS PROOF YOU TOOK THE REQUIRED TRAINING.

TRAINING FOR THE SUPERVISORS/REVIEWERS OF CARDHOLDERS IS NOW AVALIABLE ONLINE AND WILL BE UPDATED YEARLY. THIS TRAINING IS REQUIRED AND YOU HAVE TO ENSIRE THAT ALL STAFF HAVE TAKEN THE TRAINING. YOU WILL BE REQUIRED TO SEND A CERTIFICATION IN ANNUALLY CERTIFYING COMPLETEION OF THIS TRAINING FOR ALL OF THESE STAFF.

CARDHOLDER TRAINING IS ALSO A PART OF YOUR RESPONSIBILITY AS THE PROGRAM ADMINISTRATOR. YOU MUST TRAIN EACH CARDHOLDER IN THE RULES AND REGULATIONS OF THE PROGRAM PRIOR TO THEM USING THEIR CARD. YOU MUST ALSO ENSURE THAT THEY HAVE SIGNED AN EMPLOYEE AGREEMENT FOR YOUR FILES AND IT IS RECOMMENDED THAT EACH CARDHOLDER SIGN A NEW EMPLOYEE AGREEMENT ANNUALLY.

- Program Administrator Form
  - This is the form used to designate your Agency Purchase Card Program Administrator & Backup Program Administrator
  - Each agency is required to complete a form whenever there is a change in Program Administrator's or their contact information (i.e. name change, email, phone, etc.)
  - This form is located on the Charge Card Administration web page under Forms
  - Ability to apply for new cards will be suspended until new Delegation form is received

WE HAVE ADDED A NEW PROGRAM ADMINISTRATOR FORM FOR THE PURCHASE CARD PROGRAM TO ENSURE WE HAVE CURRENT INFORMATION REGARDING EACH AGENCY'S PROGRAM ADMINISTRATION. COMPLETING A PROGRAM ADMINISTRATOR FORM, ENSURES YOU WILL RECEIVE ANY NEW UPDATES AND INFORMATION REGARDING THE PURCHASE CHARGE CARD PROGRAM. IT IS IMPERATIVE THAT A NEW FORM IS COMPLETED ANYTIME THERE IS A CHANGE IN PROGRAM ADMINISTRATION. THIS FORM CAN BE FOUND ON THE CHARGE CARD ADMINISTRATION WEB PAGE UNDER FORMS. IF YOUR AGENCY'S PROGRAM ADMINISTRATOR INFORMATION IS NOT CURRENT WITH DOA AND GE MASTERCARD, YOUR AGENCY'S ABILITY TO APPLY FOR CARDS, ACCESS REPORTS, ETC WILL BE SUSPENDED.



NOW LET'S GO OVER THE SMALL PURCHASE CHARGE CARD POLICIES AND PROCEDURES.

#### **Policies and Procedures**

- Develop, Disseminate, and Enforce Agency-Specific SPCC Policies and Procedures
- Share Best Practices with fellow agencies
- Monthly Program Administrator calls

EVERY AGENCY IS UNIQUE. ONLY YOUR AGENCY MANAGEMENT CAN DETERMINE HOW TO BEST ACHIEVE COMPLIANCE WITH STATEWIDE GUIDELINES. IT IS ESSENTIAL THAT YOU DEVELOP YOUR OWN SPCC POLICIES AND PROCEDURES. THEY MUST BE AS SPECIFIC AND DETAILED AS THE CAPP MANUAL. ADDITIONAL REQUIREMENTS ARE LEFT TO AGENCY DISCRETION.

THERE ARE MANY WELL RUN PROGRAMS IN PLACE THROUGHOUT THE COMMONWEALTH. VISIT OTHER AGENCY WEBSITES TO SEE HOW THEIR PROGRAMS ARE RAN. OR CONTACT US AND WE CAN PROVIDE YOU THE CONTACT INFORMATION FOR AN AGENCY WHO COULD POSSIBLY ASSIST YOU.

THE MONTHLY PROGRAM ADMINISTRATOR CALLS ARE AN EXCELLENT MEANS OF SHARING BEST PRACTICES. TALK WITH OTHER PROGRAM ADMINISTRATORS AND LEARN HOW THEIR SPECIFIC CIRCUMSTANCES AND NEEDS ARE ADDRESSED.

## Policies and Procedures – State Limits

- Transaction Limit \$5,000 or Lower
- PA's Obtain documentation from the cardholder's supervisor to establish limits
- Cardholder's DO NOT override the limit!

PROGRAM ADMINISTRATORS MUST SET BOTH THE TRANSACTION AND THE MONTHLY LIMITS WHEN APPLYING FOR CARDS.

A FEW PROCUREMENT PROFESSIONALS AT EACH AGENCY WILL MAKE REGULAR PURCHASES IN THE \$1,000 TO \$5,000 RANGE, THEREFORE THEIR CARD LIMITS MIGHT BE SET AT THE MAXIMUM, BASED ON THEIR SUPEVISOR'S ANALYSIS. MOST CARDHOLDERS HAVE MORE SPENDING AUTHORITY THAN THEY REALLY NEED. SOME AGENCIES ARE NOT TAKING FULL ADVANTAGE OF THE PURCHASING CARD BY SETTING THE LIMITS TOO LOW. PLEASE ENCOURAGE SUPERVISORS TO BE REALISTIC IN THEIR ANALYSIS OF CARD USE AND REMEMBER TO USE THE AMOUNTS RECOMMENDED BY THE CARDHOLDER'S SUPERVISOR.

IT IS IMPORTANT TO NOTE THAT ONCE LIMITS ARE ESTABLISHED, CARDHOLDERS MUST ABIDE BY THEM. A CARDHOLDER WHO ENCOURAGES OR EVEN KNOWINGLY ALLOWS A VENDOR TO OVERRIDE AN GE MASTERCARD DENIAL BASED ON SPENDING LIMITS IS COMMITTING FRAUD.

REMEMBER, PA'S ARE NOT ALLOWED TO SET LIMITS ABOVE \$5,000 A TRANSACTION WITHOUT PRIOR APPROVAL FROM DOA.

### Polices and Procedures – State Limits

- Monthly Limit \$100,000 or lower
- Set reasonable limits, adjust if necessary, but always stay within established guidelines.
- If you need a limit above State state, you must request approval for FIRST!

THE MONTHLY MAXIMUM OF \$100,000 PER CARDHOLDER HAS PROVEN TO BE SUFFICIENT IN VIRTUALLY EVERY CIRCUMSTANCE.

IF, AT ANY TIME, YOU AND A CARDHOLDER'S SUPERVISOR AGREE THAT TRANSACTION OR MONTHLY LIMITS ARE SET TOO HIGH OR LOW - OR IF A ONE-TIME ADJUSTMENT IS NEEDED FOR A SPECIFIC PURCHASE - YOU MAY MAKE THOSE ADJUSTMENTS UP TO THE STATEWIDE LIMITS OF \$5,000 PER TRANSACTION AND \$100,000 PER MONTH. JUST REMEMBER TO DOCUMENT THE REASON(S) FOR THE CHANGE(S). YOU MAY GET A PHONE CALL OR EMAIL REQUESTING THIS INFORMATION AT ANYTIME.

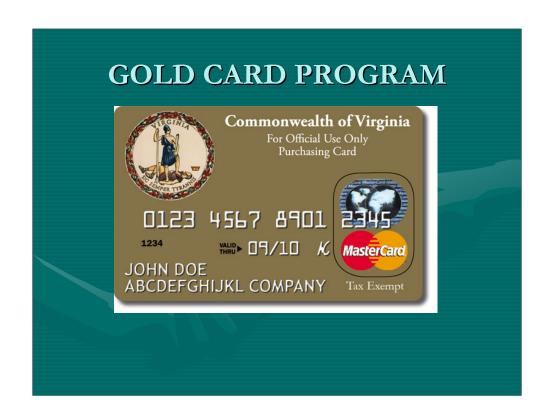
REMEMBER, PA'S ARE NOT ALLOWED TO SET MONTHLY LIMITS ABOVE \$100,000 WITHOUT APPROVAL FROM DOA.

# Policies and Procedures Restrictions

- Industry Restrictions
  - PA's MUST always put all industry restrictions on the card
    - \* Travel

- \* Gas/Oil
- \* Car Rental
- \* Restaurant
- \* Accommodations.

YOU SHOULD BE RESTRICTING ALL THE INDUSTRIES LISTED UNLESS YOU HAVE APPROVAL FOR THAT CARDHOLDER TO HAVE ONE OR MORE OF THE RESTRICTIONS LIFTED. PLEASE KEEP DOCUMENTATION ON FILE FOR ACCESS BY APA, DOA OR AN INTERNAL AUDITOR



THERE IS A GOLD CARD PROGRAM AVAILABLE FOR AGENCIES WITH HIGHER SPEND VOLUMES OVER THE SMALL PURCHASE LIMIT DEFINED BY THE VIRGINIA PUBLIC PROCUREMENT ACT. THIS PROGRAM IS ADMINISTERED BY THE DEPARTMENT OF ACCOUNTS. WE WILL NOW DISCUSS THE GOLD CARD PROGRAM AND IT'S BENEFITS.

## "GOLD" Card Program

- Optimizes participation in E-commerce.
- Program is Administered by DOA.
- Issued to full-time classified purchasing/procurement professionals or other staff as deemed by the agency head.
- \$50,000 per transaction limit.
- \$250,000 monthly limit.
- · Cannot have a SPCC and Gold card.



THE PURPOSE OF THE "GOLD" PROGRAM IS TO OPTIMIZE THE COMMONWEALTH'S PARTICIPATION IN ELECTRONIC COMMERCE. THIS IS ACHIEVED BY ALLOWING CERTAIN INDIVIDUALS HIGHER LIMITS (UP TO THE MAXIMUM DEFINED AS A SMALL PURCHASE IN THE VPPA). CURRENTLY SET AS \$50,000 A TRANSACTION AND \$250,000 A MONTH. THE REQUIREMENTS ARE THE SAME FOR THE GOLD AND SPCC PROGRAMS WITH THE EXCEPTIONS OF THE HIGHER TRANSACTION AND MONTHLY LIMITS.

THE GOLD CARD PROGRAM IS ADMINISTERED BY DOA.
APPLICATIONS MUST BE SIGNED BY THE AGENCY HEAD AND
SUBMITTED TO DOA FOR CONSIDERATION. GOLD CARDS
SHOULD ONLY BE ISSUED TO FULL-TIME CLASSIFIED
PURCHASING/PROCUREMENT PROFESSIONALS OR OTHER
STAFF MEMBERS THE AGENCY HEAD DEEMS RESPONSIBLE WITH
THE HIGHER LIMITS AND PROCUREMENT REGULATION. THESE
INDIVIDUALS MAY NOT HOLD A SPCC CARD. THEY ARE TO USE
THEIR GOLD CARD FOR ALL PURCHASES UP TO THE
DESIGNATED CARD LIMITS.

GOLD CARDHOLDERS MAY NOT, UNDER ANY CIRCUMSTANCES, AUTHORIZE ANY CHARGE IN EXCESS OF THE TRANSACTION LIMITS SET BY (DOA) THE STATEWIDE PROGRAM ADMINISTRATOR.



AS PROGRAM ADMINISTRATOR IT IS YOUR RESPONSIBILITY TO MANAGE YOUR AGENCY'S SMALL PURCHASE CHARGE CARD PROGRAM. WE WILL NOW PROVIDE SOME TOOLS TO HELP YOU MANAGE YOUR PROGRAM.

## Managing Your Program

- Manage your agency:
  - Training cardholders
  - Monitoring participation
  - Supervisor training
  - Internal controls
  - Tools provided by GE MasterCard
    - NetService and SAM

       PA's
    - NetService cardholders

MANAGING YOUR AGENCY'S SMALL PURCHASE CHARGE CARD PROGRAM IS YOUR RESPONSIBILITY. PROGRAM ADMINISTRATOR'S ARE RESPONSIBLE FOR TRAINING CARDHOLDERS, MONITORING THEIR PARTICIPATION, TRAINING THE CARDHOLDER'S SUPERVISOR AND ENSURING THAT PROPER INTERNAL CONTROLS ARE IN PLACE AT THE AGENCY.

GE MASTERCARD HAS SEVERAL ONLINE MANAGEMENT TOOLS AVAILABLE FOR PROGRAM ADMINISTRATORS, CARDHOLDERS AND THEIR SUPERVISIORS. BE SURE TO USE THEM. THEY ARE THERE TO ASSIST YOU WITH MANAGING YOUR PROGRAM.

ONE TOOL IS SAM WHICH IS THE TOOL FOR PROGRAM ADMINISTRATORS WHICH PROVIDES A SIMPLIFIED WAY OF HANDILING A VARIETY OF ADMINISTRATIVE TASKS ASSOCIATED WITH MANAGING YOUR PROGRAM AND FOR PROVIDING A TOOL FOR REPORTING, RESEARCH, AND PROGRAM MANAGEMENT. A TOOL FOR CARDHOLDERS IS ALSO NETSERVICE AND IS GREAT FOR YOUR CARDHOLDERS TO ASSIST THEM IN RECONCILING THEIR ACCOUNTS DURING THE MONTH.

WE WILL BE PROVIDING MORE INFORMATION ON NETSERVICE AND SAM LATER IN THIS PRESENTATION.

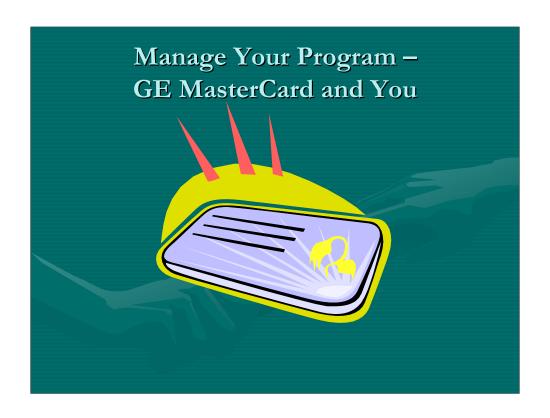
## Manage Your Own Program

- GE MasterCard is not the procurement police.
- GE MasterCard can assist you if proper controls are in place.
- Secret Word #1 Richmond

GE MASTERCARD IS NOT THE PROCUREMENT POLICE. THEY CAN, HOWEVER, ASSIST YOU WITH MANAGING YOUR PROGRAM IF PROPER CONTROLS ARE IN PLACE.

GE MASTERCARD IS ABLE TO DENY CHARGES IF THE VENDOR SEEKS PROPER AUTHORIZATION FOR THE CHARGE AND IF APPROPRIATE LIMITS ARE PLACED ON THE CARD.

PLEASE NOTE THAT GE MASTERCARD DOES NOT DENY CHARGES BASED ON A PARTICULAR VENDOR THAT YOU MIGHT HAVE A DISPUTE WITH. THIS IS A GLOBAL ORGANIZATION, THEREFORE THEY CANNOT TAILOR THEIR PROGRAM MANAGEMENT TO A SINGLE CLIENT.



LET'S DISCUSS GE MASTERCARD AND WHAT THEY CAN OFFER YOU.

- COV Dedicated Account Team
  - GE MasterCard National Account Manager for the Small Purchase Charge Card & Gold Card
    - Nancy Alund
      - Email: nancy.alund@ge.com
        - General GE MasterCard Questions
- COV Dedicated Customer Service Representatives
  - Phone: 866-843-1362
  - Email: COV.CRR@ge.com

As you manage your agency's SPCC Program, a team of experienced GE MasterCard Representatives will work with you every step of the way. The Commonwealth has a dedicated Account Manager with GE MasterCard. Her name is Nancy Alund. She can be contacted for general information about GE MasterCard. GE MasterCard also has additional dedicated team members for the Commonwealth that work with DOA and Nancy to assist you.

The Commonwealth has a team of Dedicated Customer Service Representatives in the Salt lake City office. They are available Monday through Friday 8 a.m. to 5 p.m. They can assist you with day to day GE MasterCard issues or questions. After hours, you can still call the same number and a representative will assist you.

- NetService
  - Provides SPCC Program Administrators with an online solution to administer accounts and obtain information
    - System Requirements:
      - Accessible via the Internet
      - Web browser version 4.0 and higher
      - 128 bit encryption required
- SAM (Strategic Account Management)
  - Provides access to your agency's transaction data and reporting needs
  - Online Tutorials

NetService is an online program management tool which allows you to conduct most of your daily administrative functions. SAM provides access to your reporting needs.

In order to access this platform, you must have internet access, your browser must be 4.0 or higher and have 128 bit encryption.

A section of the Program Administrator form requests the set up information needed for a user id.

Now we will go into more detail on what you can do online....

- Program Administrators can perform the following functions online at NetService:
  - Adjust Spending Limits
  - Cancel Cards
  - Change Accounting Information
- Program Administrators can perform the following functions online using SAM
  - View Agency Hierarchy
  - Access Agency Reports

THROUGH NETSERVICE PROGRAM ADMINISTRATORS HAVE THE ABILITY TO HANDLE ADMINISTRATIVE AND MAINTENANCE RELATED TASKS ASSOCIATED WITH MANAGING THEIR CHARGE CARD PROGRAM.

SYSTEM ACCESS IS AVAILABLE FOR PROGRAM AND BACKUP ADMINISTRATORS BY COMPLETING THE PROGRAM ADMINISTRATOR FORM AVAILABLE ON DOA'S CHARGE CARD ADMINISTRATION WEB PAGE.

SAM PROVIDES FISCAL STAFF WITH THE ABILITY TO VIEW MONTHLY STATEMENT AND RECEIVE MANAGEMENT REPORTS. E-BILL ACCESS IS OBTAINED BY COMPLETING THE REQUEST FOR E-BILL FORM AVAILABLE ON DOA'S CHARGE CARD ADMINISTRATION WEB PAGE.

- The following Management Reports are available online through SAM.
  - Administrative
  - Cardholders
  - Merchants
  - TE Reports
  - Transactions

GE MASTERCARD PROVIDES DETAILED MANAGEMENT INFORMATION REPORTS THAT ENABLE AGENCIES TO MONITOR CARDHOLDER USAGE, POLICY COMPLIANCE AND FREQUENCY OF VENDOR USAGE.

REPORTS AND DATA FILES ARE AVAILABLE 48 TO 72 HOURS AFTER THE CLOSE OF THE REPORTING PERIOD.

FISCAL AND INTERNAL AUDIT STAFF CAN OBTAIN ACCESS TO REPORTS BY COMPLETING A SAM REPORTING FORM.

## Cardholder Listing

- This report is accessed under the Cardholders tab
- It provides all cardholders for your agency
  - Account Numbers
  - Addresses
  - Phone Number
  - Limits

THIS REPORT CONTAINS ALL RELEVANT CARDMEMBER INFORMATION. PART OF ADMINISTERING A SUCCESSFUL PROGRAM INVOLVES ENSURING THAT CARDMEMBER RECORDS ARE CURRENT AND THAT LIMITS IMPOSED ON THEIR ACCOUNTS ARE APPROPRIATE TO USAGE. THIS REPORT MAY ALSO BE USED AS A REFERENCE TOOL TO VERIFY PARTICIPATION IN THE PROGRAM.

## Sales Tax Report

- This report is accessed under the Transactions tab
- It shows all transactions for the period which sales tax data was passed from the vendor
- Great tool to utilize to ensure credits are received on any sales tax charged

THE SALES TAX PAID REPORT SHOWS THE AMOUNT OF SALES TAX COLLECTED FOR EACH TRANSACTION AS LONG AS THE VENDOR IS SET UP TO PASS LEVEL 2 OR 3 DATA.

NOT ALL VENDORS ARE ABLE TO PASS DETAILED DATA ON EACH TRANSACTION; THEREFORE, YOU STILL MUST CONTINUE TO VERIFY RECEIPTS FOR ANY TRANSACTION WITH WHICH THE TAX DATA IS NOT ITEMIZED OUT ON THE CHARGE.

THIS INFORMATION IS NECCESARY FOR AUDIT PURPOSES AND TO ENSURE YOUR AGENCY IS RECEIVING CREDITS ON THOSE ITEMS YOU WERE CHARGED SALES TAX ON.

## **SWAM Report**

- This is a Custom Report for all users of SAM
- This report is used in order to determine your SWAM reporting to DMBE
- Only vendors certified by DMBE are shown on this report
- The report has been designed by DMBE

THE SWAM REPORT DETAILS ALL TRANSACTIONS ON THE PURCHASING CARD WHICH WERE MADE WITH DMBE CERTIFIED VENDORS FOR THE PERIOD OF TIME DEFINED IN THE CRITERIA.

DMBE DESIGNED THIS REPORT FOR USE BY STATE AGENCIES AND INSTITUTIONS. DMBE WILL PROVIDE GE MASTERCARD A FILE OF CERTIFIED VENDORS ON A RECURRING BASIS TO ENSURE GE'S DATABASE IS CONTINUOUSLY UPDATED.

#### 1099 Report

- This report is accessed under the Merchants tab
- This report is needed to prepare for 1099 reporting each year

THE 1099 REPORT IS ABLE TO BE EXPORTED. YOU MAY NEED TO MERGE THE DATA FROM THIS REPORT WITH ADDITIONAL INFORMATION FROM YOUR VENDOR'S PAYABLE TABLE IN ORDER TO ARRIVE AT THE TOTAL AMOUNT PAID TO A VENDOR. FEDERAL LAW REQUIRES BUSINESSES TO FILE INFORMATION RETURNS ON IRS FORM 1099 FOR EVERY VENDOR SUBJECT TO 1099 REPORTING.

#### Other Management Reports

- Transaction Detail Report
  - Shows all cardholder activity for period
- Industry Spending
- Query function

THESE REPORTS ARE AVALAIBLE ON A VARIETY OF FREQUENCIES TO CATER TO YOUR AGENCY NEEDS.

THE CARDMEMBER ACTIVITY REPORT IS YOUR MONTHLY TRANSACTION LOG FOR YOUR CARDHOLDERS. YOU CAN UTILIZE THIS REPORT TO MONITOR COMPLIANCE TO STATE REGULATIONS AND POLICIES.

SAM CAN ALSO BE USEFUL IN DETERMING WHAT INDUSTRIES YOUR AGENCY UTILIZED THE PURCHASE CARD FOR. IT WILL ALSO IDENTIFY POSSIBLE AREAS FOR CONTRACTS IN ORDER TO SAVE YOUR AGENCY MONEY.

QUERY FUNCTIONALITY IS AVAILABLE FOR PROGRAM ADMINISTRATORS AS WELL AS FISCAL STAFF.

ALWAYS REFER TO YOUR SAM REPORTING GUIDE FOR ASSISTANCE.



#### Cardholder Benefits and Resources

- Monthly Statement
- NetService Cardholder Access
- 24 hour customer service

GE MASTERCARD PROVIDES YOUR CARDHOLDERS WITH A MONTHLY STATEMENT TO ASSSIT IN THEIR RECONCILIATION OF CHARGES. THIS STATEMENT REPRESENTS THE OFFICIAL DOCUMENTATION NEEDED TO COMPLETE THEIR MONTHLY RECONCILIATION.

NETSERVICE CARDHOLDER ACCESS IS GE MASTERCARDS' ONLINE TOOL TO PROVIDE CARDHOLDERS UP TO DATE INFORMATION ON THEIR ACCOUNT.

24 HOURS CUSTOMER SERVICE IS THERE FOR EACH CARDHOLDER. THE PHONE NUMBER IS ON THE BACK OF THEIR CARD IN CASE THEY NEED IT.

NOW LET'S TALK MORE ABOUT NETSERVICE FOR CARDHOLDERS...

#### **NetService for Cardholders**

- Cardholders can perform the following functions using NetService:
  - View, Print and Download Statements
  - View, Print and Download Billed and Unbilled Transactions
  - File Disputes

GE MASTERCARDS' NETSERVICE FOR CARDHOLDERS IS AN ONLINE MANAGEMENT TOOL AVAILABLE TO YOUR CARDHOLDERS TO MANAGE THEIR ACCOUNT.

ACCESS IS AVAILABLE 24 HOURS A DAY, 7 DAYS A WEEK.
CARDHOLDERS HAVE THE ABILITY TO VIEW, PRINT AND
DOWNLOAD THEIR STATEMENTS AS WELL AS THEIR BILLED AND
UNBILLED TRANSACTIONS. CARDHOLDERS CAN ALSO DISPUTE
ANY ISSUES THEY HAVE THROUGH NETSERVICE.

CARDHOLDERS MAY ENROLL VIA THE GE WEBSITE AT WWW.GENETSERVICE.COM.

THERE ARE SPECIAL CARDHOLDER INSTRUCTIONS FOR SIGNING UP FOR NETSERVICE INCLUDED IN THE PURCHASE CARDHOLDER TRAINING.

#### GE NetService for Cardholders

- How to Enroll?
  - Cardholders may enroll via www.genetservice.com
- Step by step instructions to enroll are included in the Purchase Cardholder training.

CARDMEMBERS CAN FOLLOW THE SIMPLE INSTRUCTIONS TO ENROLL IN NETSERVICE.

VISIT WWW.GENETSERVICE.COM.



THUS FAR WE HAVE PROVIDED AN OVERVIEW OF THE SPCC PROGRAM, DISCUSSED YOUR ROLE AND RESPONSIBILITIES AS PROGRAM ADMINISTRATORS, REVIEWED SPCC POLICIES AND PROCEDURES, DISCUSSED THE GOLD CARD PROGRAM AND REVIEWED SOME OF THE TOOLS AVAILABLE TO ASSIST YOU WITH MANAGING YOUR PROGRAM.

NOW WE ARE GOING TO PROVIDE SOME HELPFUL TIPS.

# Helpful Tips For Managing Your Program

- Important Items to Remember
- What Program Administrators Forget
- SPCC Program Enhancements
- Recent Changes to the CAPP Manual
- Exemptions
- Payment Reminders

THE FOLLOWING SLIDES OFFER HELPFUL TIPS FOR PROGRAM ADMINISTRATORS. THEY ADDRESS THE IMPORTANT THINGS THAT PA'S NEED TO BE AWARE OF WHEN MANAGING THEIR AGENCIES SMALL PURCHASE CHARGE CARD PROGRAM.



THE FOLLOWING POLICIES AND PROCEDURES APPLY TO THE USE OF THE SMALL PURCHASE CHARGE CARD BY *ALL* AGENCIES AND INSTUTIONS OF THE COMMONWEALTH.

### 1. DO NOT Add New Program Administrators Ad Infinitum

- Ideally, each agency has one Program Administrator and one back-up.
- DOA must authorize any exceptions.
- Always keep PA data up to date with DOA and GE MasterCard.

AGENCIES MUST LIMIT THE NUMBER OF INDIVIDUALS THAT HAVE THE AUTHORITY TO MANAGE CARD ACCOUNTS. THESE INDIVIDUALS ARE CALLED "PROGRAM ADMINISTRATOR'S (PA'S)" AND THEY ARE DESIGNATED BY THE AGENCY HEAD OR SIMILAR AUTHORIZING OFFICER USING A DELEGATION OF AUTHORITY FORM.

PA'S ARE REGISTERED WITH THE SPCC VENDOR (CURRENTLY GE MasterCard) AND THE DEPARTMENT OF ACCOUNTS AS THE ONLY PERSONS AUTHORIZED TO MAKE CHANGES (E.G., ADD OR CANCEL CARDS, CHANGE LIMITS) FOR THE PROGRAM AT THE AGENCY LEVEL.

ONLY DOA CAN AUTHORIZE ADDITIONAL PA'S.

# 2. DO NOT Use the Card to Circumvent Regulations

- Observe procurement and travel regulations.
- Provide guidance to cardholders regarding restrictions.
- Maintain documentation on removing temporary or permanent restrictions.

All Industry Restrictions must be turned "ON" when Applying for New Cards. The Restrictions are: Accommondations, car rental, Oil/Gas, Restaurant and Travel. Industry Restrictions are based on Merchant Industry Codes. They Provide Additional Controls to Prevent or Limit the Amount of Charges that are <u>Not Allowed</u> on the SPCC Card.

PROGRAM ADMINISTRATOR'S HAVE BEEN DELEGATED THE ABILITY TO REMOVE THESE RESTRICTIONS EITHER TEMPORARILY OR PERMANENTLY. IT IS THE RESPONSIBILITY OF THE PA TO REVIEW THE CARDHOLDER'S ACCOUNTS PERIODICALLY TO ASSESS IF THE PERMANENT RESTRICTION REMOVAL IS STILL NEEDED. IF THE RESTRICTION IS NO LONGER NECESSARY, THE PA MUST TURN THE RESTRICTION BACK ON IMMEDIATELY. THIS ASSESSMENT CAN BE MADE TO COINCIDE WITH THE REQUIRED ANNUAL ANALYSIS OF EACH CARDHOLDER'S USAGE AND LIMITS WHICH IS STIPULATED IN THE CAPP TOPIC.

ALL DOCUMENTATION RELATED TO REMOVING INDUSTRY RESTRICTIONS MUST BE KEPT ON FILE AT THE AGENCY FOR AUDIT PURPOSES.

#### 3. Don't Allow This To Show Up On Your Agency's Bill

- Hotel/Motel accommodations (lodging)
- Meals (associated with employee travel)

REMEMBER... THE USE OF THE SPCC CARD FOR THE PURCHASE OF AIR, RAIL AND OTHER MASS TRANSIT TICKETS <u>IS ALLOWED</u>. IT IS <u>NOT ALLOWED</u>, HOWEVER, FOR LODGING AND MEALS ASSOCIATED WITH EMPLOYEE TRAVEL. THOSE CHARGES *MUST BE* PLACED ON THE INDIVIDUAL'S TRAVEL CARD.

PROGRAM ADMINISTRATORS CAN REMOVE INDUSTRY RESTRICTIONS DUE TO OPERATIONAL REASONS AND ARE ALLOWED TO REMOVE, FOR VALID REASONS ONLY, ON A CASE BY CASE BASIS, ACCOMMONDATIONS AND RESTAURANT RESTRICTIONS. EXAMPLES OF APPROVED CHARGES TO THE ACCOMMODATIONS AND RESTAURANT RESTRICTION CATEGORIES ARE: PAYING FOR MEETING/CONFERENCE ROOMS OR WORKING LUNCHES.

CARDHOLDERS MUST UNDERSTAND THAT THESE ARE THE ONLY TRAVEL RELATED PURCHASES THAT ARE AUTHORIZED ON THE SPCC CARD AND SHOULD BE REMINDED TO NEVER USE THE CARD FOR PERSONAL PURCHASES. PROGRAM ADMINISTRATOR'S MUST EDUCATE AND TRAIN THEIR CARDHOLDERS TO ENSURE THAT THEY ARE AWARE OF THE TRAVEL RESTRICTIONS ON THE PURCHASE CARD.

#### 4. Absolutely No Card Sharing!

- The agency must be able to hold the cardholder accountable for card use and record keeping.
- Sharing the card or the number with others adds unacceptable risk.

AUTHORIZED USE OF THE PURCHASING CARD IS LIMITED TO THE PERSON WHOSE NAME APPEARS ON THE FACE OF THE CARD. THE PURCHASING CARD OR IT'S NUMBER MUST NOT BE LOANED TO ANOTHER PERSON. THEREFORE, IT IS IMPORTANT THAT CARDS ARE ISSUED IN THE NAMES OF THOSE WHO WILL BE DOING THE PURCHASING.

IT IS UNACCEPTABLE FOR A CARD ISSUED IN THE NAME OF A DEPARTMENT HEAD TO BE HANDED TO AN ASSISTANT WITH THE INSTRUCTION TO CALL IN A PURCHASE. IT IS UNACCEPTABLE FOR THE SUPERVISOR TO FILL OUT AN ORDER FORM, COMPLETE WITH CARD NUMBER, AND HAND IT TO AN ASSISTANT TO CARRY TO THE VENDOR.

IT IS ACCEPTABLE FOR THE CARDHOLDER TO PHONE IN AN ORDER AND PROVIDE THE CARD NUMBER TO THE VENDOR, THEN SEND SOMEONE TO PICK UP THE ORDER. IT IS ALSO ACCEPTABLE, (UNDER VERY LIMITED CIRCUMSTANCES) AS OUTLINED IN THE CAPP MANUAL, TO KEEP THE CARD NUMBER ON FILE WITH A VENDOR.

#### 5. DO NOT Fax!

- Agencies desiring an exemption to this provision must contact DOA in writing and document procedures to ensure card security.
- Consider alternatives.

NEVER FAX THE CARD NUMBER. FAXING IS THE SAME AS LEAVING YOUR CARD LYING AROUND, YOU CAN'T GUARANTEE THAT THE FAX WILL END UP IN A SECURE LOCATION WHERE ONLY THE INTENDED RECIPIENT CAN ACCESS IT.

AGENCIES DESIRING AN EXEMPTION TO THIS PROVISION MUST CONTACT DOA IN WRITING AND DOCUMENT PROCEDURES THAT ARE IN PLACE TO ENSURE THAT FAXED DOCUMENTS WILL NOT BE MISDIRECTED, THEREBY EXPOSING THE CARD NUMBER TO SOMEONE OTHER THAN THE INTENDED RECIPIENT.

EXPLORE OTHER ALTERNATIVES. IF THERE AREN'T ANY AVAILABLE, YOU NEED TO PROVIDE THIS INFORMATION TO DOA IN WRITING.

#### 6. Maintain A Log

- Maintain a "Log" as Purchases are Made.
- Maintained records for reconciliation to Cardmember Statements.
- Be on the lookout for Disputed or Questionable Charges.

CARDHOLDERS MUST UNDERSTAND THAT THEY MUST MAINTAIN A PURCHASE LOG TO KEEP TRACK OF WHAT IS BOUGHT, WHEN YOU BOUGHT IT, FROM WHOM, HOW MUCH IT COST, 1099 REPORTABILITY, RECEIPTS, ETC. WHEN THE PURCHASES ARE MADE. THE LOGS WILL AID YOU WITH THE RECONCILIATION PROCESS AT THE END OF EACH CARD CYCLE.

IF THE LOG IS KEPT UP TO DATE, YOU WILL HAVE TIME TO CONTACT THE VENDOR IF A RECEIPT OR OTHER PERTINENT INFORMATION IS MISSING.

BE SURE TO READ THE CAPP MANUAL TO LEARN THE DIFFERENCE BETWEEN DISPUTED OR "QUESTIONABLE" CHARGES AND FRAUDULENT CHARGES AS WELL AS HOW THEY ARE HANDLED.

#### What Program Administrators Forget

- NO Defaults are Allowed.
  - Set Transaction Limit at \$5,000 or Lower.
  - Set Monthly Limit at \$100,000 or Lower
- Restrict All Industry Restrictions.
- Cancel Unnecessary or Inactive Cards.
- Use Your Agency Number on all new card applications.

PER CAPP TOPIC 20355, TRANSACTION LIMITS CANNOT BE SET HIGHER THAN \$5000 AND MONTLY LIMITS CAN NOT EXCEED \$100,000.

BE SURE, WHEN SETTING RESTRICTIONS, TO CHECK THE BOXES FOR ALL RESTRICTIONS. IT IS NOT A REQUIREMENT THAT YOU RESTRICT TRAVEL, GAS & OIL OR CAR RENTAL, BUT IF YOU DO NOT, YOU SHOULD HAVE DOCUMENTATION AS TO WHY THE CARDHOLDER NEEDS THE RESTRICTION REMOVED.

REMEMBER TO MONITOR CARDHOLDER ACTIVITY AND PROMPTLY CANCEL UNNECESSARY OR INACTIVE CARDS.

ALSO BE SURE TO USE YOUR AGENCY NUMBER ON ALL NEW CARDS APPLICATIONS.

#### SPCC Program Enhancements

- E-Commerce (eVA)
- The GOLD card
- Online Training
- Monthly PA Calls

AS THE SPCC PROGRAM EXPANDS, DOA CONTINUOSLY LOOKS FOR WAYS TO MAKE THE PROGRAM MORE EFFICIENT AND COST EFFECTIVE. WITH THE ADVENT OF E-COMMERCE (eVA) AND OTHER WEB-BASED PURCHASING, THE PURCHASING CARD HAS BECOME THE PERFERRED METHOD. DOA IS WORKING CLOSELY WITH DGS TO ENSURE THAT VENDORS CURRENTLY REGISTERED IN eVA ACCEPT THE PCARD, AND THAT VENDORS WHO CURRENTLY ACCEPT THE PCARD ARE REGISTERED WITH eVA.

THE GOLD CARD PROGRAM WAS CREATED TO OPTIMIZE PARTICIPATION IN ELECTRONIC COMMERCE. UNDER THIS PROGRAM, TRANSACTION AND MONTHLY LIMITS INCREASED TO \$50,000 AND \$250,000 RESPECTIVELY.

PROGRAM ADMINISTRATORS AND BACKUPS ARE REQUIRED TO ATTEND ANNUAL TRAINING. TRAINING IS AVAILABLE ONLINE TO MINIMIZE TRAVEL TO RICHMOND.

DOA AND GE MASTERCARD HOST MONTHLY PROGRAM ADMINISTRATOR CALLS. CALL INFORMATION WILL BE COMMUNICATED TO ALL PROGRAM ADMINISTRATORS AND BACKUPS.

### Recent Changes to the CAPP Manual

- Program Administrators can remove accommodation and travel restrictions on cards.
- Annual Cardholder Review.
- Supervisor's Training.

PROGRAM ADMINISTRATORS NOW HAVE THE ABILITY TO REMOVE, FOR VALID REASONS ONLY, ACCOMMODATIONS AND RESTAURANTS RESTRICTIONS ON THE SPCC CARD.

SUPERVISORS MUST REVIEW CARDHOLDER LIMITS ANNUALLY, DOCUMENT THE ANALYSIS IN WRITING FOR PROGRAM ADMINISTRATORS, KEEP THE DOCUMENTATION ON FILE FOR AUDIT PURPOSES AND CERTIFY THAT THE REVIEW WAS PERFORMED. THE CERTIFICATION FORM IS AVAILABLE ON THE SPCC WEB PAGE. AGENCIES ARE REQUIRED TO FAX THE CERTIFICATION TO DOA.

TRAINING IS AVAILABLE FOR SUPERVISORS AND OTHER AGENCY STAFF WHO APPROVE CARDHOLDER'S MONTHLY LOGS.

### Recent Changes to the CAPP Manual

- Requests for Multiple Cards Exemption.
  - Annual requirement
- SPCC and Gold Card Pr rocedures.
  - Dill he rod le policy
  - Account number must be used on batch

AGENCIES AND INSTITUTIONS REQUESTING MULTIPLE CARDHOLDER CARDS ARE REQUIRED TO COMPLETE AND SUBMIT A REQUEST FOR EXCEPTION FOR MULTIPLE CARDS FORM. THIS FORM IS AVAILABLE ON THE CHARGE CARD ADMINISTRATION WEB PAGE. THE EXEMPTION, IF APPROVED, IS VALID FOR ONE YEAR. AN ANNUAL REVIEW OF THE NEED FOR MULTIPLE CARDS MUST BE DOCUMENTED AND KEPT ON FILE AT THE AGENCY FOR AUDIT PURPOSES. THIS WILL BE REQUIRED BY MAY 31ST OF EACH YEAR.

SPCC AND GOLD CARD PAYMENTS ARE DUE NO LATER THAN  $5^{\text{TH}}$  OF EACH MONTH. WITH GE MASTERCARD, THERE IS ONLY ONE BILL FOR BOTH THE SPCC AND GOLD CARDS. PAYMENTS MUST BE ENTERED <u>NO LATER</u> THAN 3 BUSINESS DAYS PRIOR TO THE  $5^{\text{TH}}$  TO ALLOW FOR EDI, CAPITAL IMPROVEMENTS AND ERROR PROCESSING. PLEASE NOTE, WHEN DETERMINING THE LAST DAY YOU CAN PROCESS YOUR GE MASTERCARD BATCH FOR PAYMENT TO BE RECEIVED BY THE PAYMENT DUE DATE, YOU MUST TAKE INTO CONSIDERATION WHETHER THE THREE DAYS PRIOR TO THE 4TH HAS A STATE HOLIDAY OR A WEEKEND.

WHEN PROCESSING YOUR SPCC AND GOLD CARD PAYMENTS REMEMBER TO PROCESS YOUR BATCH <u>WITHOUT A DUE DATE</u> USING BATCH TYPE 3 AND TRANS CODE 334 FOR DEBITS AND TRANS CODE 149 FOR CREDITS. AGENCIES WITH INTERNAL SYSTEMS REQUIRING A DUE DATE SHOULD USE THE NEXT DAYS DATE AFTER THE BATCH IS KEYED. ENTER YOUR ACCOUNT NUMBER IN THE ACCOUNT NUMBER FIELD. AND LAST BUT NOT LEAST, REMEMBER TO CHECK THE BATCH STATUS TO MAKE SURE IT IS NOT ON THE ERROR FILE.

## Recent Changes to the CAPP Manual

- Overpayment Policy
- Annual Agency Exceptions

MONIES PAID OVER THE AMOUNT IDENTIFIED AS "TOTAL DUE" ON THE MONTHLY CONSOLIDATED BILL ARE CONSIDERED OVERPAYMENTS.

OVERPAYMENTS MAY ARISE AS A RESULT OF KEYING OR ROUNDING ERRORS OR IMPROPERLY REFLECTING CREDITS IN THE PAYMENT.

DOA CHARGE CARD ANALYST WILL NOTIFY AGENCIES THAT HAVE OVERPAID. DEPENDING ON THE AMOUNT OF THE OVERPAYMENT, AGENCIES CAN EITHER RECEIVE A REFUND OR REDUCE THEIR NEXT MONTH'S BILL BY THE OVERPAYMENT. IF AGENCIES OPT TO USE THE CREDIT TO REDUCE THE NEXT MONTH'S BILL, THE CREDIT WILL BE REFLECTED IN THE "PAST DUE" FIELD AND THE "TOTAL DUE" AMOUNT IS ADJUSTED BY THE CREDIT. THE AMOUNT TO BE PAID IS THE "TOTAL DUE" AMOUNT, NOT THE "CURRENT DUE" AMOUNT.

AGENCIES WHO DO NOT RESOLVE THEIR OVERPAYMENTS IN THE FOLLOWING MONTH OR CAUSE A CHECK TO BE CUT FOR THE OVERPAYMENT MAY BE NOTED IN THE COMPTROLLER'S QUARTERLY REPORT.

AGENCIES WHO HAVE ANY PREVIOUS AGENCY EXCEPTIONS TO POLICY MUST SUBMIT THEIR REQUEST EACH YEAR FOR REVIEW BY DOA. MANY AGENCIES HAVE HAD AGENCY EXCEPTIONS FOR MANY YEARS AND AS STAFF TURN OVER, MANY ITEMS ARE LOST; THEREFORE, EACH YEAR YOU WILL BE REQUESTED TO SUBMIT THEM FOR REVIEW. IF APPROVED, THE EXCEPTIONS WILL BE EFFECTIVE FOR THE FISCAL YEAR. THESE WILL BE DUE BY MAY 31ST OF EACH YEAR.

#### Exemptions

- DOA authorization is required for the following:
  - Raise limits above statewide maximum limits
  - Request multiple SPCC cards for one individual
  - Fax a card number
  - Bypass "zero-charges" reporting or supervisor sign-off
  - Have more than two staff members with full Program Administrator authority

AGENCIES MUST BE COGNIZANT OF THE POLICES AND PROCEDURES SET FORTH IN THE CAPP MANUAL FOR PURCHASE CHARGE CARDS. ANYTIME AN AGENCY DOES NOT FOLLOW POLICY THEY ARE IN NONCOMPLIANCE. FOLLOWING THE CAPP TOPIC AND REQUESTING APPROVAL FROM DOA FOR ANY EXEMPTIONS WILL ELEVIATE ANY ISSUES WITH AUDITORS. AGENCIES DESIRING AN EXEMPTION TO ANY OF THESE PROVISIONS MUST SUBMIT A WRITTEN REQUEST TO DOA DOCUMENTING THEIR NEED FOR THE EXEMPTION.

#### Payment Reminders for Fiscal Staff

- Use GE MasterCard's VIN 06130149525 to pay both SPCC and Gold program charges.
- Pay the exact amount due on the Monthly Summary of Accounts.
- Pay by the 8th of every month.
- Key the "Agency Account" number in the Invoice Description field.

THE AGENCY'S ACCOUNTING DEPARTMENT IS RESPONSIBLE FOR PROCESSING PAYMENTS TO GE MASTERCARD FOR THEIR SPCC AND GOLD CARD PROGRAMS ACCORDING TO POLICY. ALL OF THIS INFORMATION IS DETAILED OUT IN THE PAYMENT PROCEDURE SECTIONS OF THE CAPP TOPIC 20355. IT IS IMPERATIVE FOR AGENCIES TO SUBMIT THEIR PAYMENTS CORRECTLY OR THEY WILL HAVE THE POSSIBILITY OF THEIR PAYMENTS BEING DELAYED IN POSTING.

ALL FISCAL STAFF SHOULD BE FAMILIAR WITH THE SECTIONS RELATED TO PAYMENTS IN CAPP TOPIC 20355. THIS IS CRITICAL TO PAYMENT PROCESSING IN CASE THE INDIVIDUAL WHO NORMALLY PROCESSES THE BILL IS OUT. MANY AGENCIES ARE REPORTED FOR LATE PAYMENTS IN THE QUARTERLY REPORT DUE TO STAFF BEING OUT AND OTHER INDIVIDUALS DID NOT FOLLOW PROCEDURES.

### REVIEW

- CAPP 20355
- Cardholder training
- Supervisory review cardholder limits
- Program monitoring
  - Management reports
  - NetService and SAM

REMEMBER TO PERIODICALLY REVIEW CAPP MANUAL TOPIC NUMBER 20355 - PURCHASING CHARGE CARDS.

PROGRAM ADMINISTRATORS... REMEMBER THAT YOU ARE RESPONSIBLE FOR MANAGING YOUR AGENCY'S SPCC PROGRAM TO ENSURE COMPLIANCE, YOU ARE RESPONSIBLE FOR TRAINING CARDHOLDERS AND SUPERVISORS ON THEIR ROLES AND RESPONSIBILITIES; AND REMEMBER TO MONITOR YOUR PROGRAM THROUGH THE USE OF NETSERVICE AND SAM ONLINE MANAGEMENT REPORTING.

### DON'T FORGET!

- The agency is responsible for all charges to the card.
- Pay exact amount.
- Keep a log as purchases are made.
- Pay on time no later than the 5<sup>th</sup> of every month.
- Reconcile log to statement.
- Key agency account number.
- Supervisory signoff.
- Put the agency number on all new card applications.

HERE IS A LIST OF ITEMS THAT PROGRAM ADMINISTRATORS, SUPERVISORS AND FISCAL STAFF SHOULD KEEP IN MIND. THEY ARE KEY TO HELPING YOU MANAGE A SUCCESSFUL CHARGE CARD PROGRAM.

#### **CONCLUSION**

- Please refer to this presentation often. It is a valuable source of information.
- Please use the online tools available from GE MasterCard.
- Please remember that you are required to take this training <u>annually</u>.

THIS CONCLUDES THE SMALL PURCHASE CHARGE CARD PROGRAM ADMINISTRATOR TRAINING. WE HOPE THAT THIS TRAINING HAS BEEN A SOURCE OF VALUABLE INFORMATION FOR YOU. PLEASE REMEMBER TO USE ALL OF THE INFORMATION IN THESE SLIDES AND THE ONLINE TOOLS AVAILABLE FROM GE MASTERCARD. THEY ARE AVAILABLE TO HELP YOU MANAGE A SUCCESSFUL PROGRAM.

REMEMBER, THIS TRAINING IS REQUIRED ANNUALLY. SEE YOU NEXT YEAR!

#### \*\*CONGRATULATIONS\*\*

- ✓ YOU HAVE SUCCESSFULLY COMPLETED THE SMALL PURCHASE CHARGE CARD PROGRAM ADMINISTRATOR TRAINING.
- ✓ PLEASE EMAIL THE SECRET WORD PROVIDED EARLIER IN THIS PRESENTATION PLUS THE ONE SHOWN BELOW TO: cca@doa.virginia.gov TO RECEIVE CREDIT FOR TAKING THIS TRAINING.

SECRET WORD #2 - NASCAR

YOU HAVE SUCCESSFULLY COMPLETED THE SMALL PURCHASE CHARGE CARD PROGRAM ADMINISTRATOR TRAINING. PLEASE EMAIL THE CCA MAILBOX AT THE ADDRESS ABOVE WITH THE TWO SECRET WORDS PROVIDED IN THIS TRAINING TO RECEIVE CREDIT FOR THIS TRAINING.